

Testimony of

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AFSCME Council 4, Local 269
Wage Enforcement Agent, Connecticut Department of Labor**

Finance, Revenue & Bonding Committee
February 27, 2023

HB 5673 An Act Concerning the Reformation of Certain Taxes and Tax Equity

Senator Fonfara, Representative Horn and members of the Finance, Revenue and Bonding Committee:

My name is Anthony Soto and I am a Wage Enforcement Agent with the Connecticut Department of Labor, as well as a Chief Steward with AFSCME Council 4, Local 269. I strongly support House Bill 5673, An Act Concerning the Reformation of Certain Taxes and Tax Equity.

Supporting HB 5673 would help make Connecticut's tax policies more equitable and support programs that help the state's most vulnerable populations. As a Wage Enforcement Agent with the Connecticut Department of Labor, my colleagues and I are on the frontlines combating wage theft.

Each year the Wage and Workplace Standards Division receives thousands of complaints from workers throughout the state alleging a full spectrum of labor standards violations. They include:

- Nonpayment of the minimum wage
- Nonpayment of overtime
- Nonpayment of all hours worked
- Nonpayment of prevailing or standard wages
- Illegal deductions from wages
- Child labor: including hours of work, working papers, and hazardous employment
- Availability of a meal period
- Electronic monitoring within the workplace
- Access to personnel file
- Breastfeeding in the workplace
- Exempt versus nonexempt employees
- Misclassification of an employee as an independent contractor

These are just a few examples of the types of cases my colleagues and I are dealing with daily.

When we investigate these complaints, we often find that employers are paying their employees cash, off the books, or misclassifying their employees as independent contractors. These illegal business practices are not victimless crimes. They put employers who are doing things legally at an unfair disadvantage. These practices also strip workers of safety net benefits such as workers compensation and unemployment insurance. This increases the burden on taxpayers to care for these workers that have no other means.

When I began with the agency in November of 2014, we had 33 field staff including investigators, agents, and supervisors today we have 24. This is simply not enough. In addition to diminishing staffing

levels, we have seen a substantial increase in complaints over the last year. These circumstances have created a backlog of cases forcing our claimants to go longer without what is rightfully theirs.

This also forces the division into a complaint driven model, meaning we are only dealing with complaints received and limits our ability for proactive and strategic enforcement. The biggest problem with such a model is that we know our most vulnerable populations do not file complaints and are therefore forced to endure these exploitative working conditions.

An increase in the number of wage and hour investigators will increase the recovery of wages, putting dollars back into the hands of the workers that earned them. This will also lead to an increase in revenue to the state as our enforcement efforts will decrease the number of employees being paid off the books, increasing income tax receipts. Employers will also have to pay their portions of the tax liability. An increase in the number of cases handled by the division will also increase the amount of fines assessed and collected.

I urge you to vote in favor of HB 5673 and stand with the working people of Connecticut.

Respectfully submitted,

Anthony Soto